

Agency 300

Department of Social and Health Services

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Expenditure Authority	17,619.5	6,381,151	7,551,734	13,932,885
Supplemental Changes				
Notification Changes #		(248)	(7)	(255)
WorkFirst Participation Rate	.8	213		213
Forecast Cost/Utilization		11,126	5,582	16,708
Family Child Care Providers		7,671		7,671
Data Consolidation Projects for BHOs	2.0	300	201	501
Hospital Revenue Adjustment		5,869	(5,869)	
CMS Managed Care Regulation Mailing		844	562	1,406
ACES Disaster Recovery		1,981	1,322	3,303
Facility Maintenance Costs		977	56	1,033
FMAP Changes		49	(49)	
TANF/WCCC Caseload Adjustments		28,133		28,133
SSPS Operations		2,129	364	2,493
Braam Compliance	12.9	1,773	36	1,809
Child Protective Services	10.7	1,895	39	1,934
Performance-Based Contracting		1,351		1,351
Sewer Rate Increase		124		124
L&I Settlement Agreement	11.2	2,151		2,151
Regulatory Compliance	24.1	5,038		5,038
Utilization of Residential Services		15,750	15,490	31,240
Individual Provider Overtime	35.1	34,114	40,635	74,749
MSA Rate Increase		962	1,156	2,118
Interagency Transfer		(23)	(23)	(46)
TBI Council Projects			572	572
RCS Fund Split Adjustment		2,000		2,000
RCS Quality Assurance	3.0	307	306	613
Redesign In-Home System	.7	91	90	181
ESF License Fee	.5		176	176
ESAR Strategic Modernization	1.6	845	5,031	5,876
Child Support Electronic Payments #	.5	16	29	45
Unisys Rehosting		1,452	1,903	3,355
Access to HealthPlanFinder		205	204	409
Individual and Family Services		685	687	1,372
Mental Health Rate Adjustment		58,632	216,760	275,392
Expand Crisis Triage Beds		5,172	2,628	7,800
Expand Mobile Crisis Teams		3,074	936	4,010
Diversion Task Force	1.0	250		250
Housing Support and Step-Down Svcs		2,762		2,762
Peer Bridging Programs		1,760		1,760
State Hospital RN Staff	27.2	6,766		6,766
UW Psychiatry Collaboration		500		500

HUMAN SERVICES - DSHS

	Annual FTEs	General Fund State	Other Funds	Total Funds
Oversight and Reporting Consultant		260		260
On-Site Safety Compliance Officer	1.0	135		135
IFS Health Care Costs		685	687	1,372
Mental Health One-time Savings		(8,600)		(8,600)
Transitional Support for WSH		11,000		11,000
Medication Assisted Treatment	12.0		1,990	1,990
Mental Health Block Grant Authority			3,000	3,000
Increased Federal Authority			1,100	1,100
RCS Fee Authority		(2,000)	4,110	2,110
Enhanced Service Facility Savings		(719)	(766)	(1,485)
Individual Provider Informal Supports		19,271	24,435	43,706
Planned Respite	7.5	834	833	1,667
Health Home Savings	2.5	(5,866)	4,132	(1,734)
UW and WSU Research Funding		1,850		1,850
Nursing Home Rebase		6,900	6,800	13,700
Adult Protective Services Grant			202	202
Hepatitis C Treatment Adjustment		(1,460)		(1,460)
Lean Management Practices		(12,046)		(12,046)
Medicaid Cost Allocation Correction		1,139		1,139
High Acuity Client Interventions	13.7	2,032		2,032
High Acuity Health Services	6.3	1,181		1,181
SCC Community Facilities Support	7.2	929		929
U.S. DOL vs. DSHS		674	14	688
Psychiatrist Workload Study		250		250
One-Time Relocation		772	355	1,127
WorkFirst Fund Balance		(20,595)	20,595	
Technical Corrections	22.3	1,095	539	1,634
State Data Center Adjustments		630	270	900
Food and Medical Adjustments		912	207	1,119
Lease Adjustments < 20,000 Square Feet		762	25	787
Workers' Compensation Changes		(1,623)	(516)	(2,139)
Audit Services		(258)	(58)	(316)
Legal Services		(850)	(186)	(1,036)
Administrative Hearings		509	112	621
CTS Central Services		399	90	489
DES Central Services		269	59	328
Time, Leave and Attendance System		767	1	768
Self-Insurance Liability Premium		821	180	1,001
Mandatory Caseload Adjustments		(62,146)	(133,657)	(195,803)
Mandatory Workload Adjustments	88.0	11,726	6,621	18,347
Equipment Replacement Costs		2,523	1,094	3,617
Transfers				
Unilateral ESH & WSH Compensation		2,148	188	2,336
Physicians WSH and ESH - Coalition		4,491	456	4,947
Mental Health Supplemental Agreements		3,256	303	3,559
Mental Health Compensation		85	46	131
Subtotal - Supplemental Changes	291.4	168,838	232,078	400,916
Total Proposed Budget	17,910.9	6,549,989	7,783,812	14,333,801

HUMAN SERVICES - DSHS

	Annual FTEs	General Fund State	Other Funds	Total Funds
Difference	291.4	168,838	232,078	400,916
Percent Change	1.7%	2.6%	3.1%	2.9%

HUMAN SERVICES - DSHS

Program 010

DSHS - Children's Administration

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Expenditure Authority	2,574.9	667,953	528,704	1,196,657
Supplemental Changes				
Notification Changes #		(88)	(2)	(90)
Family Child Care Providers		841		841
SSPS Operations		809		809
Braam Compliance	12.9	1,773	36	1,809
Child Protective Services	10.7	1,895	39	1,934
Performance-Based Contracting		1,351		1,351
Unisys Rehosting		404	8	412
Lean Management Practices		(1,352)		(1,352)
Technical Corrections		108	3	111
State Data Center Adjustments		138	4	142
Lease Adjustments < 20,000 Square Feet		672	70	742
Workers' Compensation Changes		(74)	(8)	(82)
Mandatory Caseload Adjustments		(7,805)	(4,684)	(12,489)
Transfers	(.4)	(2,285)	(679)	(2,964)
Subtotal - Supplemental Changes	23.2	(3,613)	(5,213)	(8,826)
Total Proposed Budget	2,598.1	664,340	523,491	1,187,831
Difference	23.2	(3,613)	(5,213)	(8,826)
Percent Change	0.9%	(0.5)%	(1.0)%	(0.7)%

SUPPLEMENTAL CHANGES

Notification Changes

Unfounded allegation notices from an investigation of child abuse or neglect are currently sent through certified mail. Savings are incurred by utilizing regular mail or email to serve notice of a child abuse or neglect allegation determined to be unfounded. (General Fund-State, General Fund-Federal)

Family Child Care Providers

The 2015-17 collective bargaining agreement included reopener provisions for fiscal year 2017. The funding provides family child care providers a base rate increase, an increase in tiered reimbursement rates for levels three through five, and training and quality improvements as provided in the supplemental agreement.

SSPS Operations

As long-term care payments shift to the ProviderOne system, the maintenance and operations costs for the Social Service Payment System (SSPS) are reallocated to the remaining users. Child welfare payments will continue to be made through SSPS.

Braam Compliance

Funds are provided for an additional 25.8 FTE staff to meet the requirements in the 2011 Braam v. State of Washington Revised Settlement and Exit Agreement. Additional staff allows the department to locate children on the run, reduce teenage runaways, conduct monthly health and safety checks for children in out-of-home care, and provide foster parents with adequate information and support for the children they foster. (General Fund-State, General Fund-Federal)

Child Protective Services

Funding is provided for 21.4 additional Child Protective Services (CPS) staff and associated costs. Additional staff enables the department to conduct face-to-face contact within 24 hours for children at imminent risk of harm and in 72 hours when the threat is not imminent, and to complete all investigations within 90 days. (General Fund-State, General Fund-Federal)

Performance-Based Contracting

Pursuant to Chapter 205, Laws of 2012, second year funding is maintained for performance-based contracting of family support services and related child welfare services currently managed by a network administrator in Spokane County.

Unisys Rehosting

The mainframe hosting the Social Service Payment System (SSPS) will reach the end of useful life on June 30, 2016. An annual \$2 million penalty is incurred for maintaining the software license and support beyond the expiration date. Funding is provided to obtain and migrate to a new mainframe and data center. (General Fund-State, General Fund-Federal)

Lean Management Practices

Chapter 4, Laws of 2015, 3rd Special Session directs the Office of Financial Management to reduce agency allotments in the 2015-17 biennium to reflect efficiency savings. The reduced appropriations associated with the efficiency savings are reflected in agency budgets, and the corresponding reduction in the back of the budget is reversed.

Technical Corrections

Adjustments are made for variances found in the reconciliation of multiple budget steps, including compensation for Administrative, Information Support Services Division and Consolidated Field Services staff were inadvertently left out of the compensation impact model, leased facilities who were incorrectly funded at the carry-forward level of the budget; and net zero, category transfers between agency programs. (General Fund-State, General Fund-Federal)

State Data Center Adjustments

Pursuant to RCW 43.41A.150, the Department of Social and Health Services completed migration of information technology (IT) servers to the State Data Center, which provides critical IT infrastructure and security. Funding is provided for the increase in facility charges. (General Fund-State, General Fund-Federal)

Lease Adjustments < 20,000 Square Feet

Funding is provided for the incremental cost of legally binding lease obligations, as approved in the Six-Year Facilities Plan. (General Fund-State, General Fund-Federal)

HUMAN SERVICES - DSHS

Workers' Compensation Changes

The agency's budget is adjusted to reflect increased workers' compensation rates. (General Fund-State, various other accounts)

Mandatory Caseload Adjustments

Funding is reduced for the foster care and adoption support program based on the November 2015 caseload and per-capita forecasts. (General Fund-State, General Fund-Federal)

Transfers

Funding and FTE staff are transferred, with a net effect of zero, between Department of Social and Health Services programs to reflect where the costs are incurred. (General Fund-State, General Fund-Federal)

Program 020

DSHS - Juvenile Rehabilitation**Recommendation Summary**

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Expenditure Authority	773.7	183,432	8,446	191,878
Supplemental Changes				
Facility Maintenance Costs		590		590
Sewer Rate Increase		124		124
Lean Management Practices		(346)		(346)
Technical Corrections		344		344
State Data Center Adjustments		26		26
Food and Medical Adjustments		385		385
Lease Adjustments < 20,000 Square Feet		(115)		(115)
Workers' Compensation Changes		(111)		(111)
Mandatory Workload Adjustments	(14.1)	(2,529)		(2,529)
Equipment Replacement Costs		305		305
Transfers		(987)		(987)
Mental Health Supplemental Agreements		15		15
Subtotal - Supplemental Changes	(14.1)	(2,299)		(2,299)
Total Proposed Budget	759.6	181,133	8,446	189,579
Difference	(14.1)	(2,299)		(2,299)
Percent Change	(1.8)%	(1.3)%	0.0%	(1.2)%

SUPPLEMENTAL CHANGES**Facility Maintenance Costs**

One-time funding is provided for equipment, goods and services to resolve building component, steam plant, wastewater treatment and grounds deficiencies that are beyond the scope of ordinary maintenance but lower than the threshold for capital projects.

Sewer Rate Increase

Effective July 1, 2014, the city of Snoqualmie imposed a sewer rate increase on all customers outside the city limits and removed a discount previously provided to the Echo Glen Children's Center. Funding is provided for the rate increase and loss of the discount, estimated to be \$5,130 a month.

Lean Management Practices

Chapter 4, Laws of 2015, 3rd Special Session directs the Office of Financial Management to reduce agency allotments in the 2015-17 biennium to reflect efficiency savings. The reduced appropriations associated with the efficiency savings are reflected in agency budgets, and the corresponding reduction in the back of the budget is reversed.

HUMAN SERVICES - DSHS

Technical Corrections

Adjustments are made for variances found in the reconciliation of multiple budget steps, including compensation for Administrative, Information Support Services Division and Consolidated Field Services staff who were inadvertently left out of the compensation impact model; leased facilities that were incorrectly funded at the carry-forward level of the budget; and net zero, category transfers between agency programs.

State Data Center Adjustments

Pursuant to RCW 43.41A.150, the Department of Social and Health Services completed migration of information technology (IT) servers to the State Data Center, which provides critical IT infrastructure and security. Funding is provided for the increase in facility charges. (General Fund-State, General Fund-Federal)

Food and Medical Adjustments

Funding is provided to cover increased food and medical costs at the department's institutional programs. Adjustments are based on five-year historical spending of each facility.

Lease Adjustments < 20,000 Square Feet

Funding is provided for the incremental cost of legally binding lease obligations, as approved in the Six-Year Facilities Plan.

Workers' Compensation Changes

The agency's budget is adjusted to reflect increased workers' compensation rates. (General Fund-State, various other accounts)

Mandatory Workload Adjustments

An adjustment is made to reflect the expected population at Juvenile Rehabilitation Administration (JRA) institutions and community facilities based on the November caseload forecasts. As the juvenile population continues to decline, additional savings are achieved by closing a unit at the Echo Glen Children's Center.

Equipment Replacement Costs

Funding is provided to replace furniture, medical, kitchen and other equipment necessary to maintain the health, safety and security of residents and staff at the department's institutional programs. Major equipment purchases include nursing call systems and electronic key control systems necessary to bring the developmental disabilities facilities into compliance with federal regulations.

Transfers

Funding and FTE staff are transferred, with a net effect of zero, between Department of Social and Health Services programs to reflect where the costs are incurred.

Mental Health Supplemental Agreements

This item reflects the cost of fiscal year 2017 adjustments for positions that would be covered by a separate collective bargaining agreement.

Program 030

DSHS - Mental Health**Recommendation Summary**

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Expenditure Authority	2,940.3	1,063,347	1,224,289	2,287,636
Supplemental Changes				
Data Consolidation Projects for BHOs	2.0	300	201	501
Hospital Revenue Adjustment		5,869	(5,869)	
CMS Managed Care Regulation Mailing		844	562	1,406
Facility Maintenance Costs		243		243
FMAP Changes		49	(49)	
L&I Settlement Agreement	11.2	2,151		2,151
Regulatory Compliance		5,038		5,038
Individual and Family Services		685	687	1,372
Mental Health Rate Adjustment		58,632	216,760	275,392
Expand Crisis Triage Beds		5,172	2,628	7,800
Expand Mobile Crisis Teams		3,074	936	4,010
Diversion Task Force	1.0	250		250
Housing Support and Step-Down Svcs		2,762		2,762
Peer Bridging Programs		1,760		1,760
State Hospital RN Staff	27.2	6,766		6,766
UW Psychiatry Collaboration		500		500
Oversight and Reporting Consultant		260		260
On-Site Safety Compliance Officer	1.0	135		135
IFS Health Care Costs		685	687	1,372
Mental Health One-time Savings		(8,600)		(8,600)
Transitional Support for WSH		11,000		11,000
Mental Health Block Grant Authority			3,000	3,000
Increased Federal Authority			1,100	1,100
Hepatitis C Treatment Adjustment		(1,460)		(1,460)
Lean Management Practices		(1,936)		(1,936)
Psychiatrist Workload Study		250		250
Technical Corrections		146	11	157
State Data Center Adjustments		20	2	22
Food and Medical Adjustments		230		230
Workers' Compensation Changes		(669)	(49)	(718)
Mandatory Caseload Adjustments		(57,812)	(128,560)	(186,372)
Equipment Replacement Costs		46		46
Transfers	(8.7)	(1,799)	(109)	(1,908)
Unilateral ESH & WSH Compensation		2,148	188	2,336
Physicians WSH and ESH - Coalition		4,491	456	4,947
Mental Health Supplemental Agreements		2,974	261	3,235
Mental Health Compensation		19	1	20
Subtotal - Supplemental Changes	33.7	44,223	92,844	137,067
Total Proposed Budget	2,974.0	1,107,570	1,317,133	2,424,703

HUMAN SERVICES - DSHS

	Annual FTEs	General Fund State	Other Funds	Total Funds
Difference	33.7	44,223	92,844	137,067
Percent Change	1.1%	4.2%	7.6%	6.0%

SUPPLEMENTAL CHANGES

Data Consolidation Projects for BHOs

To support the purchasing and delivery of mental health and substance use disorder treatment services at Behavioral Health Organizations (BHOs), the Behavioral Health and Service Integration Administration (BHSIA) will develop and implement a data store integrating information and management. FTE staff, hardware and software licenses, and external consulting will allow BHSIA to accept data transmission from the BHOs and monitor and evaluate outcomes. (General Fund-State, General Fund-Federal)

Hospital Revenue Adjustment

State, federal, and local appropriations are adjusted to reflect variation in expected federal and local revenues. Revenue projections of inpatient contributions and Medicaid earnings are based on a twelve-month average. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

CMS Managed Care Regulation Mailing

In compliance with federal managed care regulations and the 1915(b) federal managed care waiver, all Medicaid enrollees will receive notification of the changes to their behavioral health rights and benefits prior to Behavioral Health Organization implementation on April 1, 2016, with new enrollees receiving notification thereafter. Funding is provided for the development of communication materials, printing, and mailing services. (General Fund-State, General Fund-Federal)

Facility Maintenance Costs

One-time funding is provided for equipment, goods and services in order to resolve building component, steam plant, wastewater treatment and grounds deficiencies that are beyond the scope of ordinary maintenance but lower than the threshold for capital projects.

FMAP Changes

State and federal funds are adjusted to reflect changes in federal matching percentages for individuals who are newly eligible for Medicaid under the Affordable Care Act. (General Fund-State, General Fund-Federal)

L&I Settlement Agreement

In response to citations by the Department of Labor and Industries, funding and 11.5 FTE staff are provided to meet one of the recommendations of the Ad Hoc Safety Committee. DSHS will backfill staffing on the wards at Western and Eastern State Hospitals while staff complete additional annual training hours. Additional targeted and consistent training at both state hospitals will move the agency toward its goal of sustaining a safe environment for staff and patients.

Regulatory Compliance

In response to recommendations made by The Joint Commission on Hospital Accreditation and negative audit findings from the Centers for Medicare and Medicaid Services, 38 new FTE staff are added to provide regulatory compliance and improve maintenance support. Completing necessary maintenance projects will ensure resident safety and maintain the accreditation necessary to receive federal funds for Western and Eastern State Hospitals.

Individual and Family Services

Legislation was enacted in 2014 that directed the Department of Social and Health Services to convert 2,500 existing state-only Individual and Family Services (IFS) program clients to a Medicaid waiver, and expand services to an additional 4,000 clients with developmental disabilities. This brings the IFS waiver caseload to 6,500 clients, with a phase-in of clients beginning in June 2015 and to be completed prior to June 30, 2017. Under the new Medicaid program, an estimated 2,000 clients are eligible for health care services, which were not previously accounted for in the enacted budget. Funding is provided for these clients to be enrolled in managed care at an actuarially adjusted rate of \$825.89 per member per month. (General Fund-State, General Fund-Federal)

Mental Health Rate Adjustment

Beginning April 1, 2016, all mental health and substance use disorder services will be integrated and purchased under managed care, requiring a combined Behavioral Health Organization (BHO) rate. Under federal Medicaid law, rate ranges must be developed by an independent actuary and certified as being actuarially sound. State and federal funding for Regional Support Networks and BHOs are adjusted to reflect changes in the actuarial rate ranges related to mental health services. The increased rates are largely due to case mix and utilization factors, as well as incorporating chemical dependency services into a managed care setting in the BHOs versus a fee-for-service system. (General Fund-State, General Fund-Federal)

Expand Crisis Triage Beds

Four new sixteen-bed crisis triage facilities are funded with two facilities located in western Washington and two facilities in eastern Washington. Each facility will be designed to assess, diagnose and treat individuals experiencing an acute mental health crisis without the use of long-term hospitalization. (General Fund-State, General Fund-Federal)

Expand Mobile Crisis Teams

The Behavioral Health and Service Integration Administration will implement three new mobile crisis teams and expand outreach and engagement activities for all mobile crisis teams. Each mobile crisis team will provide mental health services to stabilize individuals in crisis to prevent further deterioration and provide immediate treatment and intervention in a location best suited to meet the needs of the individual. Services will be provided in the least restrictive environment available 24 hours per day, seven days a week. (General Fund-State, General Fund-Federal)

Diversion Task Force

One FTE staff is provided to support a Diversion Task Force focused on preventing people with mental illness (and issues related to competency to stand trial) from entering jails and prisons.

Housing Support and Step-Down Svcs

Funding is provided for the Behavioral Health and Service Integration Administration to implement four new housing and recovery services teams. Each team will provide supportive housing services and short-term rent assistance for individuals exiting inpatient behavioral health treatment services or at risk of entering inpatient behavioral health services.

Peer Bridging Programs

Twenty-two Peer Bridge FTE staff are added to the regional support network state psychiatric hospital liaison teams. These team members will assist in hospital discharge planning activities and help promote service continuity as individuals return to their communities, by enhancing long-term recovery and reducing hospital re-admissions.

HUMAN SERVICES - DSHS

State Hospital RN Staff

Fifty-one additional registered nurses are added to increase the total number of nurses on day and evening shifts at Western State Hospital. This increase will improve staff and patient safety, as well as the care provided to residents.

UW Psychiatry Collaboration

DSHS will contract with the University of Washington Department of Psychiatry and Behavioral Sciences to conduct analysis and develop a plan to create a high quality forensic teaching unit in collaboration with Western State Hospital. The plan will include an appraisal of risks, barriers and benefits to implementation, as well as an implementation timeline. The University of Washington will report to the department, the Office of Financial Management, and relevant legislative policy and fiscal committees on its findings and recommendations by November 1, 2017.

Oversight and Reporting Consultant

The Department of Social and Health Services will contract with an external consultant to improve hospital performance by examining issues related to creating a sustainable culture of wellness and recovery, increased responsiveness to patient needs, and general quality improvement.

On-Site Safety Compliance Officer

A safety and compliance officer, stationed at Western State Hospital, is funded to provide oversight and accountability of the hospital's response to workplace safety concerns.

IFS Health Care Costs

Legislation was enacted in 2014 that directed the Department of Social and Health Services to convert 2,500 existing state-only Individual and Family Services (IFS) program clients to a Medicaid waiver, and expand services to an additional 4,000 clients with developmental disabilities. This brings the IFS waiver caseload to 6,500 clients, with a phase-in of clients beginning in June 2015 and to be completed prior to June 30, 2017. Under the new Medicaid program, an estimated 4,600 clients are eligible for health care services, which were not previously accounted for in the enacted budget. Funding is provided for these clients to be enrolled in managed care at an actuarially adjusted rate of \$825.89 per member per month. (General Fund-State, General Fund-Federal)

Mental Health One-time Savings

One-time savings are achieved as a result of delayed implementation of single bed certification, non-felony diversion, a competency restoration and civil ward at Western State Hospital, and the Psychiatric Intensive Care Unit at Eastern State Hospital. This one-time savings is reinvested in mental health.

Transitional Support for WSH

One-time funding is provided in fiscal year 2016 to address actions taken by The Department of Social and Health Services. These actions were necessitated by an emergency and imminent jeopardy determination by the Centers for Medicare and Medicaid Services that relates to the safety and health of clients and employees at Western State Hospital.

Mental Health Block Grant Authority

Federal expenditure authority is increased to match anticipated federal revenue for the Mental Health Block Grant, which provides comprehensive, community-based mental health services to adults and children. (General Fund-Federal)

Increased Federal Authority

Federal expenditure authority is increased to match anticipated federal revenue. (General Fund-Federal)

Hepatitis C Treatment Adjustment

Funding is reduced due to lower-than-anticipated treatment costs for the hepatitis C virus (HCV). The Department of Social and Health Services originally projected that HCV treatment would be provided to approximately 16 Medicaid patients by June 2015. Treatment has been provided to approximately 3 Medicaid HCV patients to date.

Lean Management Practices

Chapter 4, Laws of 2015, 3rd Special Session directs the Office of Financial Management to reduce agency allotments in the 2015-17 biennium to reflect efficiency savings. The reduced appropriations associated with the efficiency savings are reflected in agency budgets, and the corresponding reduction in the back of the budget is reversed.

Psychiatrist Workload Study

The Department of Social and Health Services will contract with an academic or independent consultant to examine the current clinical role of psychiatrists at the state psychiatric hospitals. Analyses will include examination of the clinical models of care, including the use of interdisciplinary health care teams. The consultant will report to the department, the Office of Financial Management, and relevant legislative policy and fiscal committees on its findings and recommendations by November 1, 2016.

Technical Corrections

Adjustments for variances found in the reconciliation of multiple budget steps, including compensation for Administrative, Information Support Services Division and Consolidated Field Services staff who were inadvertently left out of the compensation impact model; leased facilities that were incorrectly funded at the carry-forward level of the budget; and net zero, category transfers between agency programs. (General Fund-State, General Fund-Federal)

State Data Center Adjustments

Pursuant to RCW 43.41A.150, the Department of Social and Health Services completed migration of information technology (IT) servers to the State Data Center, which provides critical IT infrastructure and security. Funding is provided for the increase in facility charges. (General Fund-State, General Fund-Federal)

Food and Medical Adjustments

Funding is provided to cover increased food and medical costs at the department's institutional programs. Adjustments are based on the five-year historical spending of each facility.

Workers' Compensation Changes

The agency's budget is adjusted to reflect increased workers' compensation rates. (General Fund-State, various other accounts)

Mandatory Caseload Adjustments

Funding is adjusted based on the expected impact of changes in the November 2015 forecast by the State Forecast Council. (General Fund-State, General Fund-Federal)

Equipment Replacement Costs

Funding is provided to replace furniture, medical, kitchen and other equipment necessary to maintain the health, safety and security of residents and staff at the department's institutional programs. Major equipment purchases include nursing call systems and electronic key control systems necessary to bring the developmental disability facilities into compliance with federal regulations.

HUMAN SERVICES - DSHS

Transfers

Funding and FTE staff are transferred, with a net effect of zero, between Department of Social and Health Services programs to reflect where the costs are incurred. (General Fund-State, General Fund-Federal)

Unilateral ESH & WSH Compensation

Funding is provided for the unilateral implementation of targeted job classification compensation at Western State Hospital (WSH) and Eastern State Hospital (ESH), effective December 1, 2015. (General Fund-State, General Fund-Federal)

Physicians WSH and ESH - Coalition

Funding is provided for a 10 percent increase in group C assignment pay for Physician 3, Physician 4 and Psychiatrist classifications at Western State Hospital (WSH) and Eastern State Hospital (ESH), effective December 1, 2015. (General Fund-State, General Fund-Federal)

Mental Health Supplemental Agreements

This item reflects the cost of fiscal year 2017 adjustments for positions that would be covered by a separate collective bargaining agreement. (General Fund-State, General Fund-Federal)

Program 040

DSHS - Developmental Disabilities**Recommendation Summary**

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Expenditure Authority	3,363.6	1,259,757	1,275,970	2,535,727
Supplemental Changes				
Forecast Cost/Utilization		1,407	(1,408)	(1)
Facility Maintenance Costs		84	56	140
Utilization of Residential Services		15,750	15,490	31,240
Individual Provider Overtime	8.8	8,527	10,158	18,685
MSA Rate Increase		249	256	505
Interagency Transfer		(23)	(23)	(46)
Individual Provider Informal Supports		8,880	11,259	20,139
Planned Respite	7.5	834	833	1,667
Lean Management Practices		(2,378)		(2,378)
Technical Corrections	3.3	244	486	730
State Data Center Adjustments		18	12	30
Food and Medical Adjustments		297	207	504
Lease Adjustments < 20,000 Square Feet		(82)	(57)	(139)
Workers' Compensation Changes		(551)	(383)	(934)
Mandatory Caseload Adjustments		1,988	2,481	4,469
Mandatory Workload Adjustments	31.2	3,544	2,363	5,907
Equipment Replacement Costs		1,575	1,094	2,669
Transfers	(18.1)	(3,409)	(2,500)	(5,909)
Mental Health Supplemental Agreements		60	42	102
Mental Health Compensation		66	45	111
Subtotal - Supplemental Changes	32.6	37,080	40,411	77,491
Total Proposed Budget	3,396.2	1,296,837	1,316,381	2,613,218
Difference	32.6	37,080	40,411	77,491
Percent Change	1.0%	2.9%	3.2%	3.1%

SUPPLEMENTAL CHANGES**Forecast Cost/Utilization**

This item makes expenditure adjustments to reflect changes in the utilization of personal care services within the Developmental Disabilities Administration. (General Fund-State, General Fund-Federal)

Facility Maintenance Costs

One-time funding is provided for equipment and goods and services to resolve building component, steam plant, wastewater treatment and grounds deficiencies that are beyond the scope of ordinary maintenance but lower than the threshold for capital projects. (General Fund-State, General Fund-Federal)

HUMAN SERVICES - DSHS

Utilization of Residential Services

Funding is provided to address greater utilization of Developmental Disabilities Administration residential services in Adult Supported Living, Child Supported Living, Group Homes, Community Protection, and Intermediate Care for the Intellectually Disabled. (General Fund-State, General Fund-Federal)

Individual Provider Overtime

Individual Provider homecare worker overtime is funded in accordance with the Department of Labor's recent rule that requires overtime be paid to homecare workers. This decision was upheld by the U.S. Federal Court of Appeals and funding will be available in April 2016. (General Fund-State, General Fund-Federal)

MSA Rate Increase

Funding is provided to adjust Medicaid rates for home and community services and nursing homes in areas that have transitioned to Metropolitan Statistical Areas (MSA) because of population increases based on federal census data. (General Fund-State, General Fund-Federal)

Interagency Transfer

The Department transfers to the Health Care Authority costs associated with physician visit services for clients, including those services received in Federally Qualified Health Centers. (General Fund-State, General Fund-Federal)

Individual Provider Informal Supports

Funding is provided for additional homecare client hours that were previously considered informal supports. This change is consistent with the U.S. Department of Labor's recent rule that was upheld by the U.S. Federal Court of Appeals, D.C. Circuit. (General Fund-State, General Fund-Federal).

Planned Respite

Funding is provided for 15 staff and eight additional Planned Respite beds at Yakima Valley School. This service is intended to provide families with a break in caregiving, the opportunity for behavioral stabilization of the individual, and the ability to develop an individualized service plan to enable individuals to remain in community settings. (General Fund-State, General Fund-Federal)

Lean Management Practices

Chapter 4, Laws of 2015, 3rd Special Session directs the Office of Financial Management to reduce agency allotments in the 2015-17 biennium to reflect efficiency savings. The reduced appropriations associated with the efficiency savings are reflected in agency budgets, and the corresponding reduction in the back of the budget is reversed.

Technical Corrections

Adjustments for variances found in the reconciliation of multiple budget steps, including compensation for Administrative, Information Support Services Division and Consolidated Field Services staff who were inadvertently left out of the compensation impact model; leased facilities that were incorrectly funded at the carry-forward level of the budget; and net zero, category transfers between agency programs. (General Fund-State, General Fund-Federal)

State Data Center Adjustments

Pursuant to RCW 43.41A.150, the Department of Social and Health Services completed migration of information technology (IT) servers to the State Data Center, which provides critical IT infrastructure and security. Funding is provided for the increase in facility charges. (General Fund-State, General Fund-Federal)

Food and Medical Adjustments

Funding is provided to cover increased food and medical costs at the department's institutional programs. Adjustments are based on the five-year historical spending of each facility. (General Fund-State, General Fund-Federal)

Lease Adjustments < 20,000 Square Feet

Funding is provided for the incremental cost of legally binding lease obligations, as approved in the Six-Year Facilities Plan. (General Fund-State, General Fund-Federal)

Workers' Compensation Changes

The agency's budget is adjusted to reflect increased workers' compensation rates. (General Fund-State, various other accounts)

Mandatory Caseload Adjustments

This item reflects savings associated with caseload changes in the November 2015 Developmental Disabilities forecast. (General Fund-State, General Fund-Federal)

Mandatory Workload Adjustments

Funds are provided to establish client-to-staff ratios as a result of Developmental Disabilities Administration caseload growth. (General Fund-State, General Fund-Federal)

Equipment Replacement Costs

Funding is provided to replace furniture, medical, kitchen and other equipment necessary to maintain the health, safety and security of residents and staff at the department's institutional programs. Major equipment purchases include nursing call systems and electronic key control systems necessary to bring the developmental disability facilities into compliance with federal regulations. (General Fund-State, General Fund-Federal)

Transfers

Funding and FTE staff are transferred, with a net effect of zero, between Department of Social and Health Services programs to reflect where the costs are incurred. (General Fund-State, General Fund-Federal)

Mental Health Supplemental Agreements

This item reflects the cost of fiscal year 2017 adjustments for positions that would be covered by a separate collective bargaining agreement. (General Fund-State, General Fund-Federal)

Mental Health Compensation

This item reflects targeted fiscal year 2017 compensation adjustments for certain classified state employee job classifications. (General Fund-State, General Fund-Federal)

HUMAN SERVICES - DSHS

Program 050

DSHS - Long Term Care

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Expenditure Authority	1,590.9	1,928,998	2,547,035	4,476,033
Supplemental Changes				
Forecast Cost/Utilization		9,719	6,990	16,709
Individual Provider Overtime	26.3	25,587	30,477	56,064
MSA Rate Increase		713	900	1,613
TBI Council Projects			572	572
RCS Fund Split Adjustment		2,000		2,000
RCS Quality Assurance	3.0	307	306	613
Redesign In-Home System	.7	91	90	181
ESF License Fee	.5		176	176
RCS Fee Authority		(2,000)	4,110	2,110
Enhanced Service Facility Savings		(719)	(766)	(1,485)
Individual Provider Informal Supports		10,391	13,176	23,567
Health Home Savings	2.5	(5,866)	4,132	(1,734)
Nursing Home Rebase		6,900	6,800	13,700
Adult Protective Services Grant			202	202
Lean Management Practices		(3,641)		(3,641)
Technical Corrections		27	24	51
State Data Center Adjustments		52	48	100
Lease Adjustments < 20,000 Square Feet		24	(155)	(131)
Workers' Compensation Changes		(24)	(22)	(46)
Mandatory Caseload Adjustments		(153)	775	622
Mandatory Workload Adjustments	71.0	10,711	4,258	14,969
Transfers	16.6	633	550	1,183
Subtotal - Supplemental Changes	120.5	54,752	72,643	127,395
Total Proposed Budget	1,711.4	1,983,750	2,619,678	4,603,428
Difference	120.5	54,752	72,643	127,395
Percent Change	7.6%	2.8%	2.9%	2.8%

SUPPLEMENTAL CHANGES

Forecast Cost/Utilization

The Aging and Long-Term Support Administration (AL TSA) is provided additional funding to reflect utilization changes related to Long-Term Services and Supports (LTSS) identified through the summer 2015 caseload forecast process. (General Fund-State, General Fund-Federal)

Individual Provider Overtime

Individual Provider homecare worker overtime is funded in accordance with the Department of Labor's recent rule that requires overtime be paid to homecare workers. This decision was upheld by the U.S. Federal Court of Appeals and funding will be available in April 2016. (General Fund-State, General Fund-Federal)

MSA Rate Increase

Funding is provided to adjust Medicaid rates for home and community services and nursing homes in areas that have transitioned to Metropolitan Statistical Areas (MSA) because of population increases based on federal census data. (General Fund-State, General Fund-Federal)

TBI Council Projects

Funding is provided for the Traumatic Brain Injury (TBI) Council to expand the Seattle TBI Clubhouse by 14 beds and to offer a mobile application for veterans to connect them with resources in their communities. (Traumatic Brain Injury Account-State)

RCS Fund Split Adjustment

Funding is provided to eliminate a fund source imbalance in the Residential Care Services (RCS) program. Because the Department does not have sufficient fee authority to cover the cost of the RCS program, a General Fund-State appropriation is required to meet its legally required residential oversight responsibilities.

RCS Quality Assurance

The Residential Care Services (RCS) Quality Assurance Unit was initially funded through temporary savings achieved through a Road to Community Living grant, which expires at the end of fiscal year 2016. Additional expenditure authority is needed to ensure that the state maintains its existing quality assurance system, which will help ensure that state performance measures, as well as Centers for Medicaid and Medicare Services (CMS) expectations, are met. (General Fund-State, General Fund-Federal)

Redesign In-Home System

Funding is provided to study the Individual Provider home care program and make recommendations to improve quality, oversight, efficiency, and to reduce potential state liability. As Washington begins to feel the effects of the age wave, it is now more important than ever to be strategic in the way the state prepares to care for our aging seniors. (General Fund-State, General Fund-Federal)

ESF License Fee

The Department shall establish the Enhanced Service Facility (ESF) license fee to cover the cost of ESF licensing and enforcement, as permitted in RCW 70.97.230 and WAC 388-107-1080. Enhanced Services Facilities must submit an annual per-bed license fee of \$1,040 based on the licensed bed capacity. (General Fund-Federal, General Fund-Private/Local)

RCS Fee Authority

The Department shall increase licensing fees in order to cover the cost of oversight by the Residential Care Services (RCS) program. Annual fees for Assisted Living licensed beds shall increase from \$106 to \$147, and annual fees for Nursing Homes licensed beds shall increase from \$359 to \$429. Increased fee revenue will decrease the need for General Fund-State support. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

Enhanced Service Facility Savings

One-time savings are realized through a delay in getting Enhanced Service Facility beds brought online. (General Fund-State, General Fund-Federal)

HUMAN SERVICES - DSHS

Individual Provider Informal Supports

Funding is provided for additional homecare client hours that were previously considered informal supports. This change is consistent with the U.S. Department of Labor's recent rule that was upheld by the U.S. Federal Court of Appeals, D.C. Circuit. (General Fund-State, General Fund-Federal)

Health Home Savings

The Centers for Medicare and Medicaid Services (CMS) has notified the Department of Social and Health Services that the Health Home program has achieved savings for the first year of the demonstration project as a result of coordinated health care services. The savings are shared between the state and CMS. Funding is reduced for the state share. (General Fund-State, General Fund-Federal)

Nursing Home Rebase

The nursing home rate is increased due to a rebase which is based on 2014 actual costs as directed by Chapter 2, Laws of 2015, 2nd Special Session. (General Fund-State, General Fund-Federal)

Adult Protective Services Grant

The Department received a one-time grant from the U.S. Department of Health and Human Services for Enhanced Adult Protective Services (APS). The Department will train staff, develop policy and practice changes, develop a quality assurance review process for fatality/near fatality incidents, and implement an expanded APS data collection system. (General Fund-Federal)

Lean Management Practices

Chapter 4, Laws of 2015, 3rd Special Session directs the Office of Financial Management to reduce agency allotments in the 2015-17 biennium to reflect efficiency savings. The reduced appropriations associated with the efficiency savings are reflected in agency budgets, and the corresponding reduction in the back of the budget is reversed.

Technical Corrections

Adjustments are made for variances found in the reconciliation of multiple budget steps, including compensation for Administrative, Information Support Services Division and Consolidated Field Services staff who were inadvertently left out of the compensation impact model; leased facilities that were incorrectly funded at the carry-forward level of the budget; and net zero, category transfers between agency programs. (General Fund-State, General Fund-Federal)

State Data Center Adjustments

Pursuant to RCW 43.41A.150, the Department of Social and Health Services completed migration of information technology (IT) servers to the State Data Center, which provides critical IT infrastructure and security. Funding is provided for the increase in facility charges. (General Fund-State, General Fund-Federal)

Lease Adjustments < 20,000 Square Feet

DSHS requests lease rate adjustments to correct funding discrepancies between programs and to fully support lease obligations. (General Fund-State, General Fund-Federal)

Workers' Compensation Changes

The agency's budget is adjusted to reflect increased workers' compensation rates. (General Fund-State, various other accounts)

Mandatory Caseload Adjustments

The Aging and Long-Term Support Administration (AL TSA) is provided funding for changes in the number of clients receiving Long-Term Services and Supports (LTSS) that were identified through the summer 2015 caseload forecast process. (General Fund-State, General Fund-Federal)

Mandatory Workload Adjustments

The Aging and Long-Term Support Administration (AL TSA) requests \$14,962,000 Total Funds (\$10,708,000 General Fund-State) and 71.0 FTEs for mandatory workload adjustments associated with summer 2015 caseload forecasts. Home and Community Services (HCS) and Residential Care Services (RCS) use the outcome of the caseload forecast in conjunction with a system of established workload standards to project future staffing needs. (General Fund-State, General Fund-Federal)

Transfers

Funding and FTE staff are transferred, with a net effect of zero, between Department of Social and Health Services programs to reflect where the costs are incurred. (General Fund-State, General Fund-Federal)

HUMAN SERVICES - DSHS

Program 060

DSHS - Economic Services Administration

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Expenditure Authority	4,385.2	854,197	1,274,244	2,128,441
Supplemental Changes				
Notification Changes #		(160)	(5)	(165)
WorkFirst Participation Rate	.8	213		213
Family Child Care Providers		6,830		6,830
ACES Disaster Recovery		1,981	1,322	3,303
TANF/WCCC Caseload Adjustments		28,133		28,133
SSPS Operations		1,320	364	1,684
ESAR Strategic Modernization	1.6	845	5,031	5,876
Child Support Electronic Payments #	.5	16	29	45
Unisys Rehosting		1,048	1,895	2,943
Access to HealthPlanFinder		205	204	409
Lean Management Practices		(1,735)		(1,735)
Medicaid Cost Allocation Correction		1,139		1,139
One-Time Relocation		605	355	960
WorkFirst Fund Balance		(20,595)	20,595	
Technical Corrections		109	41	150
State Data Center Adjustments		336	200	536
Lease Adjustments < 20,000 Square Feet		276	166	442
Workers' Compensation Changes		(86)	(51)	(137)
Mandatory Caseload Adjustments		481	(3,669)	(3,188)
Transfers		(4,552)	(4,418)	(8,970)
Subtotal - Supplemental Changes	2.8	16,409	22,059	38,468
Total Proposed Budget	4,388.0	870,606	1,296,303	2,166,909
Difference	2.8	16,409	22,059	38,468
Percent Change	0.1%	1.9%	1.7%	1.8%

SUPPLEMENTAL CHANGES

Notification Changes

Currently, child support enforcement notices, communicated after the original order, and overpayment notices are sent by certified mail. Savings are incurred by utilizing first class mail, regular mail or email to serve notice of intent to withhold and deliver on overpayment debt, notice of child support debt accrual, and second notices for suspensions and withholdings of State licenses. (General Fund-State, General Fund-Federal)

WorkFirst Participation Rate

The Department of Social and Health Services (DSHS) shall convert the Temporary Assistance for Needy Family (TANF) families with two parents from a state/federal program to a state-only program, which will require 1.5 FTE staff and one-time information technology system changes. The system changes and staff will allow DSHS to identify and track expenditures for this population separately from other TANF recipients which continue to be funded through both state and federal funds. By fully funding two-parent TANF families with state funds, these families are no longer required to meet federal WorkFirst participation rates.

Family Child Care Providers

The 2015-17 collective bargaining agreement included reopener provisions for fiscal year 2017. The funding provides family child care providers a base rate increase, an increase in tiered reimbursement rates for levels three through five, as well as a slot-based pilot project as provided in the supplemental agreement.

ACES Disaster Recovery

One-time funding is provided to continue implementation of disaster recovery services. If there is an information technology systems failure for mission essential functions supporting cash, food, medical and child care assistance, the disaster recovery services will allow for data recovery, eligibility determinations and benefit issuance within 72 hours. This work meets new federal regulations related to the Affordable Care Act. (General Fund-State, General Fund-Federal)

TANF/WCCC Caseload Adjustments

Funding is adjusted to reflect the November 2015 caseload forecasts and per-capita costs for the Temporary Assistance for Needy Families (TANF) and Working Connections Child Care (WCCC) programs. The forecast estimates an additional 375 families and per-capita increases due to changes in state law and policies changes. (General Fund-State, General Fund-Federal)

SSPS Operations

As long-term care payments shift to the ProviderOne system, the maintenance and operations costs for the Social Service Payment System (SSPS) are reallocated to the remaining users. Child care subsidy payments and other payments will continue to be made through SSPS. (General Fund-State, General Fund-Federal)

ESAR Strategic Modernization

Funding is provided for consultation and development of an information technology modernization roadmap. The roadmap will address concerns identified in a 2015 technology architecture assessment and provide recommendations on next steps to integrate Medicaid and public assistance program rules and systems. (General Fund-State, General Fund-Federal)

Child Support Electronic Payments #

By requiring employers with ten or more employees to remit withheld child support through electronic means, increased efficiencies and cost savings in child support collections are anticipated. One-time funding is provided for 1.0 FTE staff to provide technical support to employers transitioning to electronic payment systems and to make waiver determinations for cases where compliance would cause the employer financial hardship. Savings of \$228,000 (\$78,000 General Fund-State) are anticipated in fiscal year 2018, and \$273,000 (\$93,000 General Fund-State) each year thereafter. (General Fund-State, General Fund-Federal)

Unisys Rehosting

The current mainframe hosting the Social Service Payment System will reach the end of its useful life on June 30, 2016. An annual \$2 million penalty is incurred for maintaining the software license and support beyond the expiration date. Funding is provided to obtain and migrate to a new mainframe and data center. (General Fund-State, General Fund-Federal)

HUMAN SERVICES - DSHS

Access to HealthPlanFinder

Chapter 4, Laws of 2015, 3rd special session directs the Economic Services Administration (ESA) to access the Washington Healthplanfinder (HPF) online Medicaid application and to assist clients with obtaining a Medicaid eligibility determination. The HPF is operated by the Health Benefit Exchange (HBE). Funding is provided to reimburse the HBE for data/file servers and support services necessary to add an additional 2,000 users within DSHS. (General Fund-State, General Fund-Federal)

Lean Management Practices

Chapter 4, Laws of 2015, 3rd Special Session directs the Office of Financial Management to reduce agency allotments in the 2015-17 biennium to reflect efficiency savings. The reduced appropriations associated with the efficiency savings are reflected in agency budgets, and the corresponding reduction in the back of the budget is reversed.

Medicaid Cost Allocation Correction

Chapter 4, Laws of 2015, 3rd special session directs the Economic Services Administration (ESA) to assist clients with Medicaid applications through the Healthplanfinder online Medicaid application. The staffing cost allocation model assumes ESA may receive a 75 percent Medicaid reimbursement rate. For federal fiscal year 2016, the Centers for Medicare and Medicaid Services only approved the 75 percent reimbursement rate for specific staff types. The remaining staff may receive a 50 percent Medicaid reimbursement rate. Funding is provided to cover the difference between the assumed and approved Medicaid reimbursement rate.

One-Time Relocation

Funding is provided to cover one-time costs associated with relocating three facilities in Seattle to less costly leased space. (General Fund-State, General Fund-Federal)

WorkFirst Fund Balance

A fund swap allows for a one-time reduction of unallocated General Fund-State in the Temporary Assistance for Needy Families (TANF) program. The reduction is offset by using federal TANF funds available during the 2015-17 biennium. (General Fund-State, General Fund-Federal)

Technical Corrections

Adjustments are made for variances found in the reconciliation of multiple budget steps, including compensation for Administrative, Information Support Services Division and Consolidated Field Services staff who were inadvertently left out of the compensation impact model; leased facilities who were incorrectly funded at the carry-forward level of the budget; and net zero, category transfers between agency programs. (General Fund-State, General Fund-Federal)

State Data Center Adjustments

Pursuant to RCW 43.41A.150, the Department of Social and Health Services completed migration of information technology (IT) servers to the State Data Center, which provides critical IT infrastructure and security. Funding is provided for the increase in facility charges. (General Fund-State, General Fund-Federal)

Lease Adjustments < 20,000 Square Feet

Lease rate adjustments are made to correct funding discrepancies between programs and to fully support lease obligations. (General Fund-State, General Fund-Federal)

Workers' Compensation Changes

The agency's budget is adjusted to reflect increased workers' compensation rates. (General Fund-State, various other accounts)

Mandatory Caseload Adjustments

Funding is provided to reflect the November 2015 caseload forecast and per-capita costs for the Aged, Blind, or Disabled Assistance program, Refugee Assistance program, State Food Assistance program, and for Child Support Recoveries. (General Fund-State, General Fund-Federal)

Transfers

Funding and FTE staff are transferred, with a net effect of zero, between Department of Social and Health Services programs to reflect where the costs are incurred. (General Fund-State, General Fund-Federal)

HUMAN SERVICES - DSHS

Program 070

DSHS - Alcohol And Substance Abuse

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Expenditure Authority	72.3	129,660	501,621	631,281
Supplemental Changes				
Medication Assisted Treatment	12.0		1,990	1,990
UW and WSU Research Funding		1,850		1,850
Lean Management Practices		(244)		(244)
State Data Center Adjustments		4		4
Workers' Compensation Changes		(2)		(2)
Transfers		(34)	(30)	(64)
Subtotal - Supplemental Changes	12.0	1,574	1,960	3,534
Total Proposed Budget	84.3	131,234	503,581	634,815
Difference	12.0	1,574	1,960	3,534
Percent Change	16.6%	1.2%	0.4%	0.6%

SUPPLEMENTAL CHANGES

Medication Assisted Treatment

The Washington State Medication Assisted Treatment-Prescription Drug and Opioid Addiction program (WA-MAT-PDOA) is a collaborative effort between the state, Harborview Medical Center and Evergreen Treatment Services to address the rising opioid-related problems in the state. WA-MAT-PDOA will expand access to integrated medication assisted treatment (MAT) with buprenorphine for individuals with opioid addiction, using new tools to replicate integrated MAT statewide. (General Fund-Federal)

UW and WSU Research Funding

Chapter 4, Laws of 2015 directs the Behavioral Health and Service Integration Administration to contract with the University of Washington for \$1.1 million and Washington State University for \$740,000 with federal Substance Abuse Block Grant (SABG) dollars to study the short and long-term effects of marijuana use. Use of the SABG for research of marijuana use is prohibited. Therefore, state general fund dollars are provided to meet legislative intent.

Lean Management Practices

Chapter 4, Laws of 2015, 3rd Special Session directs the Office of Financial Management to reduce agency allotments in the 2015-17 biennium to reflect efficiency savings. The reduced appropriations associated with the efficiency savings are reflected in agency budgets, and the corresponding reduction in the back of the budget is reversed.

State Data Center Adjustments

Pursuant to RCW 43.41A.150, the Department of Social and Health Services completed migration of information technology (IT) servers to the State Data Center, which provides critical IT infrastructure and security. Funding is provided for the increase in facility charges. (General Fund-State, General Fund-Federal)

Workers' Compensation Changes

The agency's budget is adjusted to reflect increased workers' compensation rates. (General Fund-State, various other accounts)

Transfers

Funding and FTE staff are transferred, with a net effect of zero, between Department of Social and Health Services programs to reflect where the costs are incurred. (General Fund-State, General Fund-Federal)

HUMAN SERVICES - DSHS

Program 100

DSHS - Vocational Rehabilitation

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Expenditure Authority	318.1	26,320	99,251	125,571
Supplemental Changes				
Lean Management Practices		(50)		(50)
One-Time Relocation		167		167
Technical Corrections		187		187
State Data Center Adjustments		10		10
Lease Adjustments < 20,000 Square Feet		(18)		(18)
Workers' Compensation Changes		(10)		(10)
Transfers		(9)	(760)	(769)
Subtotal - Supplemental Changes		277	(760)	(483)
Total Proposed Budget	318.1	26,597	98,491	125,088
Difference		277	(760)	(483)
Percent Change	0.0%	1.1%	(0.8)%	(0.4)%

SUPPLEMENTAL CHANGES

Lean Management Practices

Chapter 4, Laws of 2015, 3rd Special Session directs the Office of Financial Management to reduce agency allotments in the 2015-17 biennium to reflect efficiency savings. The reduced appropriations associated with the efficiency savings are reflected in agency budgets, and the corresponding reduction in the back of the budget is reversed.

One-Time Relocation

Funding is provided for one-time costs associated with relocating three facilities in Seattle to less costly leased space.

Technical Corrections

Adjustments are made for variances found in the reconciliation of multiple budget steps, including compensation for Administrative, Information Support Services Division and Consolidated Field Services staff who were inadvertently left out of the compensation impact model; leased facilities that were incorrectly funded at the carry-forward level of the budget; and net zero, category transfers between agency programs.

State Data Center Adjustments

Pursuant to RCW 43.41A.150, the Department of Social and Health Services completed migration of information technology (IT) servers to the State Data Center, which provides critical IT infrastructure and security. Funding is provided for the increase in facility charges. (General Fund-State, General Fund-Federal)

Lease Adjustments < 20,000 Square Feet

Funding is provided for the incremental cost of legally binding lease obligations, as approved in the Six-Year Facilities Plan.

Workers' Compensation Changes

The agency's budget is adjusted to reflect increased workers' compensation rates. (General Fund-State, various other accounts)

Transfers

Funding and FTE staff are transferred, with a net effect of zero, between Department of Social and Health Services programs to reflect where the costs are incurred. (General Fund-State, General Fund-Federal)

HUMAN SERVICES - DSHS

Program 110

DSHS - Administration and Supporting Services

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Expenditure Authority	493.4	66,335	38,936	105,271
Supplemental Changes				
Lean Management Practices		(125)		(125)
Technical Corrections	18.0	(116)	(26)	(142)
State Data Center Adjustments		20	4	24
Lease Adjustments < 20,000 Square Feet		5	1	6
Workers' Compensation Changes		(31)	(3)	(34)
Transfers	57.7	2,926	2,952	5,878
Subtotal - Supplemental Changes	75.7	2,679	2,928	5,607
Total Proposed Budget	569.1	69,014	41,864	110,878
Difference	75.7	2,679	2,928	5,607
Percent Change	15.3%	4.0%	7.5%	5.3%

SUPPLEMENTAL CHANGES

Lean Management Practices

Chapter 4, Laws of 2015, 3rd Special Session directs the Office of Financial Management to reduce agency allotments in the 2015-17 biennium to reflect efficiency savings. The reduced appropriations associated with the efficiency savings are reflected in agency budgets, and the corresponding reduction in the back of the budget is reversed.

Technical Corrections

Adjustments are made for variances found in the reconciliation of multiple budget steps, including compensation for Administrative, Information Support Services Division and Consolidated Field Services staff that were inadvertently left out of the compensation impact model; leased facilities who were incorrectly funded at the carry-forward level of the budget; and net zero, category transfers between agency programs. (General Fund-State, General Fund-Federal)

State Data Center Adjustments

Pursuant to RCW 43.41A.150, the Department of Social and Health Services completed migration of information technology (IT) servers to the State Data Center, which provides critical IT infrastructure and security. Funding is provided for the increase in facility charges. (General Fund-State, General Fund-Federal)

Lease Adjustments < 20,000 Square Feet

Funding is provided for the incremental cost of legally binding lease obligations, as approved in the Six-Year Facilities Plan. (General Fund-State, General Fund-Federal)

Workers' Compensation Changes

The agency's budget is adjusted to reflect increased workers' compensation rates. (General Fund-State, various other accounts)

Transfers

Funding and FTE staff are transferred, with a net effect of zero, between Department of Social and Health Services programs to reflect where the costs are incurred. (General Fund-State, General Fund-Federal)

HUMAN SERVICES - DSHS

Program 135

DSHS - Special Commitment Program

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Expenditure Authority	375.8	74,946		74,946
Supplemental Changes				
Facility Maintenance Costs		60		60
High Acuity Client Interventions	13.7	2,032		2,032
High Acuity Health Services	6.3	1,181		1,181
SCC Community Facilities Support	7.2	929		929
Technical Corrections		46		46
State Data Center Adjustments		6		6
Workers' Compensation Changes		(65)		(65)
Mandatory Caseload Adjustments		1,155		1,155
Equipment Replacement Costs		597		597
Transfers		(330)		(330)
Mental Health Supplemental Agreements		207		207
Subtotal - Supplemental Changes	27.1	5,818		5,818
Total Proposed Budget	402.8	80,764		80,764
Difference	27.1	5,818		5,818
Percent Change	7.2%	7.8%		7.8%

SUPPLEMENTAL CHANGES

Facility Maintenance Costs

One-time funding is provided for equipment and goods and services to resolve building component, steam plant, wastewater treatment and grounds deficiencies that are beyond the scope of ordinary maintenance but lower than the threshold for capital projects.

High Acuity Client Interventions

This item funds 18.2 new positions to provide treatment and rehabilitative care for high acuity residents of the Special Commitment Center. With additional staff, the Special Commitment Center will provide individualized treatment, rehabilitative support and resident advocacy for approximately 30 civilly committed residents with disabilities and multiple serious mental health issues.

High Acuity Health Services

Funding is provided for 8.3 new positions to improve health care services and supports and to allow for a more therapeutic response to behavioral issues for high acuity residents of the Special Commitment Center.

SCC Community Facilities Support

Nine new resident escorts are funded in less restrictive alternative community facilities to properly staff the facilities with increased residents on court-ordered conditional releases and to comply with requirements set forth in Chapter 71.09 RCW.

Technical Corrections

Adjustments are made for variances found in the reconciliation of multiple budget steps, including compensation for Administrative, Information Support Services Division and Consolidated Field Services staff who were inadvertently left out of the compensation impact model; leased facilities that were incorrectly funded at the carry-forward level of the budget; and net zero, category transfers between agency programs.

State Data Center Adjustments

Pursuant to RCW 43.41A.150, the Department of Social and Health Services completed migration of information technology (IT) servers to the State Data Center, which provides critical IT infrastructure and security. Funding is provided for the increase in facility charges. (General Fund-State, General Fund-Federal)

Workers' Compensation Changes

The agency's budget is adjusted to reflect increased workers' compensation rates. (General Fund-State, various other accounts)

Mandatory Caseload Adjustments

Adjustments reflect the forecasted changes in the Special Commitment Center Total Confinement Facility (TCF), Secure Community Transition Facilities (SCTF) and the Less Restrictive Alternative (LRA) populations, based on the November caseload forecasts. As an increasing number of residents are granted conditional releases, the forecasted population is expected to shift from the TCF into SCTFs and LRAs which have higher per-resident costs.

Equipment Replacement Costs

Funding is provided to replace furniture, medical, kitchen and other equipment necessary to maintain the health, safety and security of residents and staff at the department's institutional programs. Major equipment purchases include nursing call systems and electronic key control systems necessary to bring the developmental disabilities facilities into compliance with federal regulations.

Transfers

Funding and FTE staff are transferred, with a net effect of zero, between Department of Social and Health Services programs to reflect where the costs are incurred.

Mental Health Supplemental Agreements

This item reflects the cost of fiscal year 2017 adjustments for positions that would be covered by a separate collective bargaining agreement.

HUMAN SERVICES - DSHS

Program 145

DSHS - Payments to Other Agencies

Recommendation Summary

Dollars in Thousands

	Annual FTEs General Fund State	Other Funds	Total Funds
2015-17 Expenditure Authority	126,206	53,238	179,444
Supplemental Changes			
Lean Management Practices	(239)		(239)
U.S. DOL vs. DSHS	674	14	688
Audit Services	(258)	(58)	(316)
Legal Services	(850)	(186)	(1,036)
Administrative Hearings	509	112	621
CTS Central Services	399	90	489
DES Central Services	269	59	328
Time, Leave and Attendance System	767	1	768
Self-Insurance Liability Premium	821	180	1,001
Transfers	9,846	4,994	14,840
Subtotal - Supplemental Changes	11,938	5,206	17,144
Total Proposed Budget	138,144	58,444	196,588
Difference	11,938	5,206	17,144
Percent Change	9.5%	9.8%	9.6%

SUPPLEMENTAL CHANGES

Lean Management Practices

Chapter 4, Laws of 2015, 3rd Special Session directs the Office of Financial Management to reduce agency allotments in the 2015-17 biennium to reflect efficiency savings. The reduced appropriations associated with the efficiency savings are reflected in agency budgets, and the corresponding reduction in the back of the budget is reversed.

U.S. DOL vs. DSHS

The Attorney General will continue to litigate on behalf of the Department of Social and Health Services (DSHS) in the United States Department of Labor (U.S. DOL) v. Washington State DSHS case. This item provides funding for fiscal year 2017 litigation costs. (General Fund-State, General Fund-Federal)

Audit Services

The agency's budget is adjusted to update anticipated charges for state audit services and to shift funding between fiscal years to reflect the State Auditor's audit schedule. (General Fund-State, various other accounts)

Legal Services

The agency's budget is adjusted to reflect updated estimates of anticipated usage of Attorney General's Office legal services. (General Fund-State, various other accounts)

Administrative Hearings

The agency's budget is adjusted to reflect updated estimates of expected usage of the Office of Administrative Hearings services. (General Fund-State, various other accounts)

CTS Central Services

The agency's budget is adjusted to update its share of the state network, security gateways, enterprise security infrastructure, and secure file transfer charges from the Consolidated Technology Services Agency. (General Fund-State, various other accounts)

DES Central Services

The agency's budget is adjusted to update its allocated share of the following charges from the Department of Enterprise Services: small agency financial services, capital project surcharge, campus utilities, campus employee parking, financing cost recovery, public and historic facilities, and risk management administration. Additionally, small agency human resources clients are provided expenditure authority to pay for human resources services. (General Fund-State, various other accounts)

Time, Leave and Attendance System

The agency's budget is increased to pay the remaining debt service for the Time, Leave and Attendance system. (General Fund-State, various other accounts)

Self-Insurance Liability Premium

Based on a new actuarial report, updated risk factors were applied to agency self-insurance premiums, causing some to rise and some to fall. (General Fund-State, various other accounts)

Transfers

Funding and FTE staff are transferred, with a net effect of zero, between Department of Social and Health Services programs to reflect where the costs are incurred. (General Fund-State, General Fund-Federal)

HUMAN SERVICES - DSHS

Program 150

DSHS - Information System Services

Recommendation Summary

Dollars in Thousands

	Annual FTEs General Fund State	Other Funds	Total Funds
2015-17 Expenditure Authority	198.6		
Supplemental Changes			
Transfers	(55.8)		
Subtotal - Supplemental Changes	(55.8)		
Total Proposed Budget	142.8		
Difference	(55.8)		
Percent Change	(28.1)%		

SUPPLEMENTAL CHANGES

Transfers

Funding and FTE staff are transferred, with a net effect of zero, between Department of Social and Health Services programs to reflect where the costs are incurred.

Program 160

DSHS - Consolidated Field Services**Recommendation Summary**

Dollars in Thousands

	Annual FTEs General Fund State	Other Funds	Total Funds
2015-17 Expenditure Authority	532.9		
Supplemental Changes			
Regulatory Compliance	24.1		
Technical Corrections	1.0		
Transfers	8.7		
Subtotal - Supplemental Changes	33.8		
Total Proposed Budget	566.7		
Difference	33.8		
Percent Change	6.3%		

SUPPLEMENTAL CHANGES**Regulatory Compliance**

In response to recommendations made by The Joint Commission on Hospital Accreditation and negative audit findings from the Centers for Medicare and Medicaid, 38 new FTE staff are added to the Behavioral Health and Service Integration Administration (BHSIA) to provide regulatory compliance and improve maintenance support. Completing necessary maintenance projects will ensure resident safety and maintain the accreditation necessary to receive federal funds at Western and Eastern State Hospitals.

Technical Corrections

Adjustments for variances found in the reconciliation of multiple budget steps, including compensation for Administrative, Information Support Services Division and Consolidated Field Services staff who were inadvertently left out of the compensation impact model; leased facilities that were incorrectly funded at the carry-forward level of the budget; and net zero, category transfers between agency programs.

Transfers

Funding and FTE staff are transferred, with a net effect of zero, between Department of Social and Health Services programs to reflect where the costs are incurred.